



# Department of Justice

FOR IMMEDIATE RELEASE  
TUESDAY, MARCH 28, 2006  
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## **FORMER GEORGIA CHEMICAL COMPANY MANAGER CHARGED WITH PARTICIPATING IN FRAUD SCHEMES AND FILING FALSE TAX RETURNS**

WASHINGTON, D.C.— The former general manager of a Georgia-based chemical manufacturer has agreed to plead guilty to filing false United States federal income tax returns and participating in two conspiracies to defraud his former employer, the Department of Justice announced today.

According to the four-count felony charges filed in the United States District Court in Atlanta, John Richard Olsen (Olsen), the former general manager of Chemical Products Technologies LLC (CPT), filed two false U.S. federal income tax returns and participated in two separate conspiracies to commit mail fraud and deprive CPT of its intangible right to the honest services of its employees. While employed as the general manager of CPT, Olsen received kickback payments from the owner and operator of an independent trucking company, through a sham company owned by a co-conspirator, in exchange for ensuring that the trucking company received business from CPT. In addition to the kickback payments, Olsen diverted profits from CPT's glyphosate business and used the money for his own personal benefit. Glyphosate is a herbicide used to control grasses and weeds.

“These types of fraudulent schemes deprive companies of their right to the honest services of their employees and to fair and competitive pricing,” said Scott D. Hammond, Deputy Assistant Attorney General in charge of the Antitrust Division’s Criminal Enforcement Program.

According to the charges, Olsen also filed false U.S. federal income tax returns for the years 2001 and 2002. In those returns, Olsen failed to report as income money he received from schemes to defraud his employer.

The conspiracy charge, a violation of 18 U.S.C. § 371, carries a maximum term of imprisonment of five years and a maximum fine of \$250,000 for an individual for each count. The tax charge, a violation of 26 U.S.C. § 7206(1), carries a maximum penalty per count of three years' imprisonment and a \$100,000 fine. The maximum fine for each count may be increased to twice the gain derived from the crime or twice the loss suffered by the victims of the crime, if either of those amounts is greater than the statutory maximum fine.

Today's charges are the second to arise out of an ongoing investigation in the Northern District of Georgia being conducted by the Antitrust Division's Atlanta Field Office, with the assistance of the Internal Revenue Service Criminal Investigation Division. In June 2005, Patrick Crowe III, Olsen's subordinate, pleaded guilty to a two-count felony charge for his participation in two conspiracies to commit mail fraud and defraud CPT of the honest services of its employees. Crowe's sentencing is scheduled for April 20, 2006.

Anyone with information concerning price fixing, bid rigging, tax offenses, or kickback schemes in the anthraquinone (a pulping additive used to increase production in the pulp and paper industry) or glyphosate industries should contact the Atlanta Field Office of the Antitrust Division at (404) 331-7100.

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